CRITERIA FOR GRANTING DEROGATIONS FROM REQUIREMENTS FOR CONNECTION OF GENERATING MODULES

March 2019

**The basis for adoption of the Criteria for granting derogations**

On 12 January 2018, the Permanent High Level Group adopted the decisions incorporating the connection network codes into the Energy Community *acquis* on electricity, that is Commission Regulation (EU) 2016/631, Commission Regulation (EU) 2016/1388 and Commission Regulation (EU) 2016/1447. For this reason, the issue of transposition and implementation of the network codes and guidelines was imposed as one of the key activities in the work of the relevant institutions in Bosnia and Herzegovina, primarily the State Electricity Regulatory Commission (SERC) and the Independent System Operator in Bosnia and Herzegovina (NOS BIH), which were recognised by the ministry of Foreign Trade and Economic Relations as the key bodies in charge of these activities.

In this context, in June 2018 the State Electricity Regulatory Commission passed a Decision on transposition of network codes on connection (Official Gazette of BiH, 42/18) defining for the electricity sector in Bosnia and Herzegovina the terms and conditions for transposition of the three mentioned Regulations as adapted to the Energy Community legal framework.

Respecting the Energy Community requirements regarding the deadlines for transposition and implementation of the provisions of the mentioned Regulations which have been prioritised by the Permanent High Level Group decisions and required the implementation without delay, on 27 February 2019 SERC adopted the Rules on Connection Network Codes (Official Gazette of BiH, 19/19). In line with the competences of the State Electricity Regulatory Commission defined pursuant to Article 4.2 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BiH, 7/02, 13/03, 76/09 and 1/11), by these Rules one part of the connection network codes has been transposed into the legal system of Bosnia and Herzegovina. This pertains to the provisions which, pursuant to the relevant Permanent High Level Group decisions, are to be implemented without delay.

The provisions to be implemented without delay include, inter alia, Article 61(1) of Commission Regulation (EU) of 14 April 2016 establishing a network code on requirements for grid connection of generators as adapted to the Energy Community legal framework by the Permanent High Level Group Decision 2018/03/PHLG-EnC of 12 January 2018. In accordance with this provision of the adapted Regulation, each regulatory authority shall specify, after consulting relevant system operators and power-generating facility owners and other stakeholders whom it deems affected by this Regulation, the criteria for granting derogations pursuant to Articles 62 and 63 of the Regulation. In line with this, the provision of Article 9 of the Rules on Connection Network Codes specifies that SERC shall specify the criteria for granting derogations from the requirements for the connection of generating modules by a separate decision. Furthermore, it has been laid down that SERC may, at the request of a power-generating facility owner or prospective owner, or relevant system operator (NOS BiH, Elektroprenos BiH (Transsmion Company) or Public Utility “Komunalno Brčko” Brčko), grant power-generating facility owners or prospective owners, or relevant system operators derogations from the requirements for the connection of generating modules, or revoke the derogations already granted.

The specified criteria shall be published on the SERC official website [www.derk.ba](http://www.derk.ba) and notified to the Energy Community Secretariat no later than 12 April 2019.

**I – Criteria for granting derogations**

When deciding upon the submitted request for derogations from the requirements for the connection of generating modules (hereinafter: the request for derogation), SERC shall take into consideration the following circumstances:

1. Whether the consistent application of some or all provisions of the adapted Commission Regulation (EU) 2016/631 of 14 April 2016 may have any adverse effect on operational security and the power system stability,
2. Whether power-generating facility owners or prospective owners may fulfil some or all requirements of the adapted Regulation if faced by technically or economically justifiable problems in terms of :
3. type of the primary source of energy of a generating unit, or
4. type of synchronous or asynchronous generator.

Irrespective of this, the request for derogation shall be refused if there are elements of the discriminatory behaviour of the relevant system operator with regard to the identical cases of connection of similar or identical generating modules.

**II – Additional recommendation for applicants**

SERC recommends prospective applicants for derogations to consult the recommendations from the document of the European Network of Transmission System Operators for Electricity (ENTSO‑E) titled *Cost Benefit Analyses* – *ENTSO-E Guidance document for national implementation for network codes on grid connection* available on the ENTSO-E website, under section “Connection Network Codes”.

<https://www.entsoe.eu/network_codes/cnc/cnc-igds/>

**III** – **The requests for derogation shall be filed using the forms which are annexed to the document as follows:**

ANNEX 1 – Request form for derogation by power-generating facility owner,

ANNEX 2 – Request form for derogation by relevant system operator.

**ANNEX 1**

Request form for derogation by power-generating facility owner

I – General data about the applicant

|  |  |
| --- | --- |
| Name | Click here to enter text. |
| Seat | Click here to enter text. |
| Address | Click here to enter text. |
| E-mail address | Click here to enter text. |
| Telephone | Click here to enter text. |
| Fax | Click here to enter text. |
| Applicant:  *(please mark as appropriate)* | Power-generating facility owner  Third party |
| Data provided pertain to:  *(please mark as appropriate)* | Power-generating facility owner  Third party |

II - Applicant’s contact person

|  |  |
| --- | --- |
| First name and surname | Click here to enter text. |
| Position | Click here to enter text. |
| E-mail address | Click here to enter text. |
| Telephone numbers | Click here to enter text. |
| Click here to enter text. |
| Data provided pertain to:  *(please mark as appropriate)* | Power-generating facility owner  Third party |

III – Basic data about the facility

|  |  |
| --- | --- |
| Name | Click here to enter text. |
| Power-generating module type | Click here to enter text. |
| Type of the primary source of energy | Click here to enter text. |
| Location | Click here to enter text. |
| Installed capacity [kW] | Click here to enter text. |
| Voltage of connection [kV] | Click here to enter text. |
| Equipment manufacturer’s certificate  *(please mark as appropriate)* | Yes  No |
| Expected lifetime | Click here to enter text. |
| Expected commencement of operation | Click here to enter text. |
| Provisions for which derogation is requested | Click here to enter text. |
| Proposed period for duration of derogation | From Click to enter text. ToClick to enter text. |

IV – List of documents

|  |  |
| --- | --- |
| a) Basic documents | |
| Evidence | Submitted  *(please mark as appropriate)* |
| Description of power-generating modules for which derogation is requested | Yes  No |
| Detailed description of the requested derogation | Yes  No |
| Detailed reasoning with relevant supporting documents and cost-benefit analysis | Yes  No |
| Demonstration that the requested derogation would have no adverse effect on cross-border trade | Yes  No |

b) Other documents

|  |  |
| --- | --- |
| No. | Title |
| 1. | Click here to enter text. |
| 2. | Click here to enter text. |
| 3. | Click here to enter text. |
| 4. | Click here to enter text. |
| 5. | Click here to enter text. |

|  |  |
| --- | --- |
| Place and date of filing the request | Place: Click to enter text. Date:Click to enter text. |
| First name and surname of responsible person | Click to enter text. Click to enter text. |
| Signature of responsible person and seal |  |

**ANNEX 2**

Request form for derogation by relevant system operator

I - General data about the system operator

|  |  |
| --- | --- |
| Name | Click here to enter text. |
| Seat | Click here to enter text. |
| Address | Click here to enter text. |
| E-mail address | Click here to enter text. |
| Telephone | Click here to enter text. |
| Fax | Click here to enter text. |

II - System operator’s contact person

|  |  |
| --- | --- |
| First name and surname | Click here to enter text. |
| Position | Click here to enter text. |
| E-mail address | Click here to enter text. |
| Telephone numbers | Click here to enter text. |
| Click here to enter text. |

III - Basic data about the facility

|  |  |
| --- | --- |
| Name | Click here to enter text. |
| Power-generating module type | Click here to enter text. |
| Type of the primary source of energy | Click here to enter text. |
| Location | Click here to enter text. |
| Number of power-generating modules | Click here to enter text. |
| Total installed capacity [kW] | Click here to enter text. |
| Voltage of connection [kV] | Click here to enter text. |
| Equipment manufacturer’s certificate  *(please mark as appropriate)* | YES NO |
| Expected lifetime | Click here to enter text. |
| Expected commencement of operation | Click here to enter text. |
| Provisions for which derogation is requested | Click here to enter text. |
| Proposed period for duration of derogation | From Click to enter text. To Click to enter text. |

IV – List of documents

|  |  |
| --- | --- |
| a) Basic documents | |
| Evidence | Submitted  *(please mark as appropriate)* |
| Description of power-generating modules for which derogation is requested and total installed capacity and number of power-generating modules | YES NO |
| Detailed description of the requested derogation | YES NO |
| Detailed reasoning with relevant supporting documents and cost-benefit analysis | YES NO |
| Demonstration that the requested derogation would have no adverse effect on cross-border trade | YES NO |
| Cost-benefit analysis (if applicable, cost-benefit analysis is done in coordination with the relevant TSO and all neighbouring DOSs) | YES NO |

b) Other documents

|  |  |
| --- | --- |
| No. | Title |
| 1. | Click here to enter text. |
| 2. | Click here to enter text. |
| 3. | Click here to enter text. |
| 4. | Click here to enter text. |
| 5. | Click here to enter text. |

|  |  |
| --- | --- |
| Place and date of filing the request | Place: Click to enter text. Date:Click to enter text. |
| First name and surname of responsible person | Click to enter text. Click to enter text. |
| Signature of responsible person and seal |  |